

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1600 - HB 2073**

March 10, 2011

**SUMMARY OF BILL:** Prohibits state contracts from requiring a vendor to waive any legal remedy it may have against Tennessee.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Exceeds \$25,459,900**

Assumptions:

- In 2010, Fiscal Review Committee staff collected data from state departments to determine Tennessee's total contract obligation, which was estimated to be \$25,459,908,814.
- Contracting agencies include, but are not limited to, the Departments of General Services, Transportation, and Finance and Administration. The total amount does not include interdepartmental agreements or Department of Higher Education contracts.
- The potential increase in the state's legal liability is one-tenth of one percent of the total contract value, which causes an estimated minimum increase in state expenditures of \$25,459,909 ( $\$25,459,908,814 \times 0.1\%$ ).

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "James W. White".

James W. White, Executive Director

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